

TO: Local Employers Participating in the State Health Benefits Program

FROM: New Jersey State Health Benefits Program

SUBJECT: CHAPTER 48, P.L. 1999 LEGISLATION CHANGE: SHBP Participating Employer Payment of Post-Retirement Medical Costs

Chapter 48, P.L. 1999 provides eligible participating local employers considerable flexibility to manage their post-retirement medical costs. (*The State, State colleges and universities, State agencies and authorities, the Palisades Interstate Parkway Commission, and the New Jersey Commerce and Economic Growth Commission are not eligible.*) It also brings State Health Benefits Program (SHBP) eligibility standards for employer-paid coverage into alignment with local government laws. Chapter 48, P.L. 1999 essentially does the following:

- (1) It gives eligible employers greater flexibility in defining which employees qualify for post-retirement medical benefits by using the age and service requirements of the local government laws N.J.S.A. 52:14-17.38.
- (2) It allows an eligible local employer to negotiate payment obligations for post-retirement medical coverage.

It is important to note that Chapter 48, P.L. 1999 applies only to *post-retirement medical coverage*. It *does not allow* the SHBP participating employer to negotiate payment obligations for coverage of its active employees.

A resolution is provided on the reverse side of this letter, should your location be interested in adopting the provisions of Chapter 48, P.L. 1999. Both the Resolution and Resolution Addendum must be completed and submitted to the Health Benefits Bureau to take advantage of the provisions of this law. Additionally, copies of all applicable contracts, ordinances, and resolutions requiring or authorizing post-retirement medical payments must be submitted with the Chapter 48 Resolution.

To submit your Resolution, you must enter the name of the employer, the county, the employer's State Health Benefits identification number, the month and year the Resolution will be effective, and the information requested on the bottom of the form. You must complete the attached Resolution Addendum form (the instructions are on the reverse side of the form). **Mail the Resolution, the Resolution Addendum, and copies of all applicable contracts, ordinances, and resolutions requiring or authorizing postretirement medical payments to: NJSHBP, PO Box 299, Trenton, NJ 08625-0299.**

If you have any further questions concerning this resolution, you may write to us at the above address, e-mail us at pensions.nj@treas.state.nj.us, or call the SHBP Employer Hotline at (609) 777-1082. Please leave your name, location, telephone number and question, and a staff member will be happy to get back to you.

Attachment

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY • DIVISION OF PENSIONS AND BENEFITS

New Jersey State Health Benefits Program

PO BOX 299
TRENTON, NJ 08625-0299

RESOLUTION

A RESOLUTION to adopt the provisions of N.J.S.A. 52:14.17.38 under which a public employer may agree to pay for the State Health Benefits Program (SHBP) coverage of certain retirees.

BE IT RESOLVED:

The _____
(CORPORATE NAME OF EMPLOYER - COUNTY - STATE HEALTH BENEFITS PROGRAM ID NUMBER)

hereby elects to adopt the provisions of NJSA 52:14-17.38 and adhere to the rules and regulations promulgated by the State Health Benefits Commission to implement the provisions of that law. This resolution affects employees as shown on the attached Chapter 48 Resolution Addendum. It is effective on the 1st day of _____, _____.
(MONTH) (YEAR)

We are aware that adoption of this resolution does not free us of the obligation to pay for post-retirement medical benefits of retirees or employees who qualified for those payments under any Chapter 88 or Chapter 48 Resolution adopted previously by this governing body.

We agree that this Resolution will remain in effect until properly amended or revoked with the State Health Benefits Program. We recognize that, while we remain in the State Health Benefits Program, we are responsible for providing the payment for post-retirement medical coverage as listed in the attached Chapter 48 Resolution Addendum for all employees who qualify for this coverage while this Resolution is in force.

We understand that we are required to provide the Division of Pensions and Benefits complete copies of all contracts, ordinances, and resolutions that detail post-retirement medical payment obligations we undertake. We also recognize that we may be required to provide the Division with information needed to carry out the terms of this Resolution.

I hereby certify that the foregoing is a true and correct copy
of a resolution duly adopted by the

_____ CORPORATE NAME OF EMPLOYER	_____ ADDRESS
on the _____ day of _____, _____	_____
_____ SIGNATURE	_____
_____ OFFICIAL TITLE	_____ TELEPHONE NUMBER

Employer Name _____
(CORPORATE NAME OF EMPLOYER, COUNTY, SHBP IDENTIFICATION NUMBER)

[illegible]

Date Resolution Submitted _____ Name of Certifying Officer _____ Phone _____

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY • DIVISION OF PENSIONS AND BENEFITS

New Jersey State Health Benefits Program

PO BOX 299
TRENTON, NJ 08625-0299

RESOLUTION ADDENDUM INSTRUCTIONS

You must complete the Resolution Addendum (on the reverse side of this instruction sheet) with the Resolution for Chapter 48. The following information is requested on the Addendum:

1. Enter the corporate name of the employer, the county, and the employer State Health Benefit Program identification number.
2. Enter the month and year the Resolution will become effective (must agree with the month and year shown on the Resolution).
3. Enter the following information in the corresponding columns:

Class of Employees (*i.e.*, police officers, clerical workers, bargaining unit (*i.e.*, PBA, CWA), Nonaligned, Individual(s), etc.

Explanation of N.J.S.A. 52:14-17.38 Provisions:

- 1 = Retired on a disability pension;
- 2 = Retired with 25 or more years of service and X years of service with the employer (employer establishes X);
- 3 = Retired upon or after the age of 65 with 25 years of service and X years of service with the employer (employer establishes X);
- 4 = Retired upon or after the age of 62 with 15 or more years of service with the employer.

Check "Yes" or "No" to indicate if the employees are: Premium Payment Retirees, Premium Payment Dependents, Medicare Reimbursement, and/or Premium Payment Surviving Spouses. If yes, indicate % the employer is paying (0% to 100%).

4. Enter the date on which the Resolution is being submitted and the name and phone number of the Certifying Officer.
5. **You must also attach copies of all applicable contracts, ordinances, and resolutions requiring or authorizing postretirement medical payments.**